

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE	)	
SEPARATION OF BILLS	)	ADMINISTRATIVE
RENDERED BY COMBINED UTILITIES	)	CASE NO. 286

O R D E R

Through comments made at the formal conference held in Administrative Case No. 282, Gas and Electric Service Disconnect/Reconnect Regulations, on September 13, 1984, and the complaint of Geraldine Marlow against The Union Light, Heat and Power Company ("ULH&P"), the Commission is being requested to adopt a policy that would require utilities that jointly provide gas and electric service to separate, for billing and collecting purposes, the gas and electric portions of a customer's usage. Under such a system, a combined gas and electric utility would make separate decisions regarding provision of each service, reconnection of each service or disconnection of each service.

Within the Commonwealth there are two combined electric and gas utilities, Louisville Gas and Electric Company ("LG&E") and ULH&P. Complaints have been raised that customers of these two utilities are discriminated against because they must pay for both gas and electric service in order to retain (or obtain)

either service, while customers residing in the service territory of other utilities where electricity and gas are provided separately, do not. Thus, the complaint is made that customers of LG&E and ULH&P are being denied their 14th Amendment right to equal protection.

In order to thoroughly consider this matter, the Commission is initiating the instant case on its own motion pursuant to KRS 278.260(1). Since the principles involved may impact other utilities with combined services, this case should take into account the views and circumstances of those utilities listed in Appendix A. Accordingly, LG&E, ULH&P and the combined utilities listed in Appendix A, as well as any other interested persons, should file comments and legal memoranda addressing the following:

1. Whether the term "utility" should be defined as meaning all utility services provided by one corporate entity or each type of service as constituting a separate utility.

2. Whether combined gas and electric utilities or other combined utilities violate the Fourteenth Amendment requiring equal protection, or unjustly discriminate in violation of KRS 278.170, by failure to separate gas and electric bills.

3. What administrative procedures would be required in order to effect a separation of gas and electric bills or other combined bills?

4. What specific costs or expenses would be incurred in order to effect a separation of gas and electric bills or other combined bills? Provide specific estimates, including anticipated impact upon uncollectibles.

5. What are the advantages and disadvantages of separating the gas and electric bills or other combined bills?

IT IS THEREFORE ORDERED that LG&E and ULH&P shall provide comments and legal memoranda addressing the above-stated concerns and issues within 30 days from the date of this Order.

IT IS FURTHER ORDERED that any other combined utility listed herein or any other person desiring to file comments and/or legal memoranda on these issues shall do so within 30 days from the date of this Order.

Done at Frankfort, Kentucky, this 28th day of December, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hemmick  
Chairman

Ruth L. L. L.  
Vice Chairman

Frank Shull  
Commissioner

ATTEST:

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Secretary

**APPENDIX A - ADMINISTRATIVE CASE NO. 286**

**Pendleton County Water District**

**Keene's Village Water and Sewer Company, Inc.**

**Goshen Utilities, Inc.**

**Sanico, Inc.**

**Doe Valley Utilities, Inc.**

**South Shore Waterworks, Inc.**

**Oak Haven Water and Sewer, Inc.**

**Caney Creek Water and Sewer District**

**Alton Water and Sewer District**

**Fancy Farm Water District**

**Lake City Water and Sewer District**

**Reidland Water and Sewer District**

**South 641 Water District**

**Symsonia Water District**

**Warren County Water District**

**Western Lewis-Rectorville Water**

**Woodlawn, Oakdale and Husbands Road Water District**

**Boonesboro Water Association, Inc.**

**Boone County Water and Sewer District**

**Glenwood Hall Resort and Country Club**